

FORM NO. 3CC

[See rule 6G(1)(c)]

Audit report under section 44AB of the Income-tax Act, 1961, in the case of a person carrying on profession

*I/We have examined the balance sheet of
[name and address of the assessee]
[Permanent Account No.] as at and *the profit and loss account/ the income and expenditure statement for the year ended on that date which are in agreement with the books of account maintained at the head office at and branches at

*I/We have obtained all the information and explanations which to the best of *my/our knowledge and belief were necessary for the purposes of the audit. In *my/our opinion, proper books of account have been kept by the head office and the branches of the assessee so far as appears from *my/our examination of books, subject to the comments given below:

In *my/our opinion and to the best of *my/our information and according to explanations given to *me/us, the said accounts give a true and fair view—

- (i) in the case of the balance sheet, of the state of the abovenamed assessee's affairs as at, and
- (ii) in the case of *the profit and loss account/the income and expenditure statement, of *the profit or the income or loss of the abovenamed assessee for the accounting year ending on

The prescribed particulars are furnished in Form No. 3CE annexed hereto. In *my/our opinion and to the best of *my/our information and according to explanations given to *me/us, these are true and correct.

Place

Date

.....

Signed

**Accountant

Notes :

1. *Delete whichever is not applicable.
2. Where any of the matters stated in this report is answered in the negative or with a qualification, the report shall state the reasons therefor.
3. **This report has to be given by-
 - (i) a chartered accountant within the meaning of the Chartered Accountants Act. 1949 (38 of 1949); or
 - (ii) any person who, in relation to any State, is, by virtue of the provisions of sub-section (2) of section 226 of the Companies Act. 1956 (1 of 1956), entitled to be appointed to act as an auditor of companies registered in that State.

FORM NO. 3CD

[See rule 6G(2)(a)]

Statement of particulars in the case of a person carrying on business

1. Books of account examined
2. Method of accounting employed (Indicate whether there is any change from the method of accounting employed in the immediately preceding previous year)
3. (i) Method of valuation of opening and closing stock-in-trade
(ii) State whether there is any change in the method of valuation of any of the aforesaid items as compared to the method employed in the immediately preceding previous year
(iii) If the answer to (ii) above is in the affirmative, specify the amount by which the profit or loss for the year has been affected by such change

Note: In case of a dealer in goods, give quantitative details on the lines specified under the heading 'Finished products' in item 12 below.

4. Amount of expenditure incurred by the assessee by way of, or on,-
 - (i) capital expenditure debited to the profit and loss account
 - (ii) personal expenses debited to the profit and loss account
 - (iii) advertisement, publicity and sales promotion outside India in respect of the goods, services or facilities which the assessee deals in or provides in the course of his business but excluding expenditure covered by items (iv) and (v) below
 - (iv) articles presented or intended for presentation where expenditure on each such article is in excess of fifty rupees
 - (v) advertisement in any souvenir, brochure, tract, pamphlet or the like published by a political party
 - (vi) travelling including foreign travel (Indicate separately the expenditure in excess of the limits laid down in rule 6D of the Income-tax Rules, 1962 and attach a statement showing how such expenditure has been arrived at. Also, attach a list of names of persons in case of foreign travel)
 - (vi) maintenance of accommodation in the nature of guest house (indicate the depreciation in respect of the building used as a guest house and in respect of the assets in the guest house. Also indicate separately the amount received from persons using the guest house)
 - (viii) entertainment (including the amount of entertainment allowance paid to any employee or other person)
 - (ix) scientific research (indicate separately expenditure of capital nature)

- (x) bonus or commission paid to employees (In respect of bonus paid to an employee employed in a factory or other establishment to which the provisions of the Payment of Bonus Act, 1965, apply, indicate whether the bonus paid exceeds the amount of bonus payable under that Act)
 - (xi) payments made to clubs
 - (xii) fees or other remuneration paid in excess of Rs. 10,000 to any person (other than an employee of the assessee) for any assessment year for services specified in clauses (a) and (b) and advice in connection with any matter specified in clause (c) of sub-section (12) of section 40A
5. Where the assessee is a firm, details of payments by way of interest, salary, bonus, commission or remuneration to the partners of the firm
6. Details of expenditure referred to in section 40A:
- (a) Particulars of all payments made to persons specified in section 40A(2)(b)
 - (b) Particulars of payments [except in the cases and circumstances specified in clauses (a) to (i) of rule 6DD of the Income-tax Rules, 1962] in excess of Rs. 10,000 made *otherwise* than by a crossed cheque or crossed bank draft — Section 40A(3)
 - (c)
 - (d)
 - (e) Provision for payment of gratuity—Section 40A(7)
 - (f) Sums paid by the assessee as an employer which are not allowable under section 40A(9)
7. Any tax, duty or other sum-
- (i) debited to the profit and loss account but not paid during the previous year
 - (ii) paid during the previous year but allowed as a deduction in any earlier year - Section 43B
8. Whether any amount is borrowed on a *hundi* from, or any amount due thereon (including interest on the amount borrowed) is repaid to, any person otherwise than through an account payee cheque ? If so, give details
9. (a) Particulars of proforma credits/drawbacks/refund of duties of customs or excise or both/refund of sales tax where such credits, drawbacks or refunds are admitted as due by the concerned authorities but are not credited to the profit and loss account
- (b) Particulars of expenditure/income of any earlier year debited/credited to the profit and loss account of the relevant previous year
 - (c) Particulars of any liability of a contingent nature debited to the profit and loss account

10. Particulars of each loan or deposit of Rs. 20,000 or more taken or accepted by the assessee in the following form:

- (i) Name and address of the lender/depositor
- (ii) Whether amount borrowed on *hundi*?
- (iii) Whether loan/deposit account was squared up during the year?
- (iv) Maximum amount outstanding at any time during the year
- (v) Whether loan/deposit was taken or accepted in cash ?
- (vi) Has any loan or deposit of Rs. 20,000 or more been repaid in cash?

Note : The particulars referred to in item 10 need not be furnished in the case of a banking company to which the Banking Regulation Act, 1949 (10 of 1949), applies.

11. Whether the assessee has deducted tax at source and paid the amount so deducted to the credit of the Central Government in accordance with the provisions of Chapter XVII-B ? If not, give details

12. In case of manufacturing concerns

- (i) full quantitative details of principal items of raw materials and finished products as indicated below :

Raw materials

- (a) Opening stock
- (b) Purchases during the year
- (c) Consumption during the year
- (d) Sales during the year
- (e) Closing stock
- *(f) Yield of finished products
- *(g) Percentage of yield
- *(h) Shortage

Finished products

- (a) Opening stock
- (b) Purchases during the year
- (c) Quantity manufactured during the year
- (d) Sales during the year
- (e) Closing stock at the end of the year
- *(f) Shortage and percentage thereof

Notes:

- *1. Information in regard to these sub-items may be given to the extent available.
- 2. Separate quantitative details on the above lines should be given in respect of by-products, if any.

13. In case of a company, give details of:

- (i) any expenditure which has resulted directly or indirectly in the provision of any remuneration, benefit or amenity *to(a)* a director, *(b)* a person who has a substantial interest in the company, and *(c)* a relative of the director or of such person
- (ii) any expenditure or allowance in respect of assets of the company used wholly or partly for the purposes or benefit of any of the persons referred to in (1) above (state whether any such person is an employee of the assessee or not)
- (iii) [*Omitted by the IT(Amdt.) Rules, 1986, w.e.f. 1-4-1986.*]